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Assistant Director, Research and Reports

9 February 1955

THRU: Chief, Economic Research Area Acting Chief, Materials Division

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Employment of to Employment of Project Relating to Acreage, Production, and Utilization of Cotton in Communist China.

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- employ to engage in an external research project relating to the acreage, production, and utlisation of cotton in Communist China.
- 2. There is a wide divergence between the current estimates made by the American Consulate General in Hong Kong of the cotton acresse and production and the Communist claims. Considerable reservations exist both in M/AO and D/A/F in regard to both series of data.
- 3. It is, therefore, recommended that project 25X1A5a1 be directed toward the derivation of definitive estimates of cotton acreage and production for the period 1943-1954. Hecessary by-product research will involve estimates of spindle numbers, efficiency of spindle use, yern production, handicraft or home consumption of cotton and production of cotton cloth.

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- 4. This research is essential to CRR contributions to Project 10.404 for the forthcoming NIE on the Power Potential of Communist China Through 1958" as indicated in Terms of Reference VII of memorandum dated 27 January 1955: "Study of textile output and raw cotton production to reconcile conflicting estimates now being carried for agricultural production of cotton and industrial production of cotton textiles."
- 5. It is desirable that this work be done in Hong Kong. If that is not possible and if is agreeable to working on this problem in Washington, he should be employed at the earliest possible date to enable him to make as complete a report as is feasable by 1 July 1955.

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